

25 YEAR RE-REVIEW

2430 E Street, N.W.
Washington, D.C.

27 May 1952

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With regard to your proposal to this Agency of May 23, 1952, for the design and manufacture of a Portable Audio-Visual Training Laboratory Unit, there are a number of questions concerning the items listed in Appendices B and C which require clarification before a contract can be negotiated by this Agency.

It is very desirable for your company to itemize the costs of the components itemized under "Purchased Material," Appendix B.

In addition, the Engineering Labor item in Appendix B appears to include more than our basic requirement that the components of the unit be readily accessible standard items. Please inform us of the details of the proposed engineering work.

Insofar as the operation and maintenance manual is concerned, as referred to in Appendix B, does the manual include operating and technical data on all items of the unit? How many hours of the total listed under the Engineering Labor item will be devoted to the manual?

In view of the error in extension in the Production Labor item of Appendix C (8 hours x \$2.15 per hour - \$81.70) can it be assumed that the total price may be reduced by the amount of the error?

With reference to the 100% charge for overhead and the 10% for general and administration expense, are these percentages based on past experience as established by audit? In this connection, is any portion of the engineering labor performed by officials of the company? If so, is there any duplication between the direct charges and the indirect charges?

Thank you for submitting your proposal. We hope that these matters can be quickly dissolved.

Sincerely yours,

MATTHEW BAIRD
Director of Training

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